

WEEK 7

- **UNIT 4: MANAGEMENT AND OPERATIONS**
- **UNIT 5: LEADERSHIP AND MANAGEMENT FOR SERVICE INDUSTRIES**

OVERVIEW

- Motivation is the word derived from the word 'motive' which means needs, desires, wants or drives within the individuals.
- Chaos theory, is the study of apparently random or unpredictable behaviour in systems governed by deterministic laws.
- Management by objectives is a planning and controlling system, in which the superior and subordinates work together in order to define business objectives.

MOTIVATIONAL MANAGEMENT

- Often, people confuse the idea of 'happy' employees with 'motivated' employees. These may be related, but motivation actually describes the level of desire employees feel to perform, regardless of the level of happiness.
- Employees who are adequately motivated to perform will be more productive, more engaged and feel more invested in their work.

MOTIVATIONAL MANAGEMENT

- When employees feel these things, it helps them, and thereby their managers, would be more successful.
- It is a manager's job to motivate employees to do their jobs well. So how do managers do this? The answer is motivation in management, the process through which managers encourage employees to be productive and effective.

MOTIVATIONAL MANAGEMENT

- Think of what you might experience in a retail setting when a motivated cashier is processing your transaction. This type of cashier will:
- Be friendly, creating a pleasant transaction that makes you more likely to return.
- Process your transaction quickly, meaning that the store can service more customers.

MOTIVATIONAL MANAGEMENT

- Suggest an additional item you would like to purchase, increasing sales for the store.
- In short, this employee is productive and delivers a high-quality output.

MOTIVATIONAL MANAGEMENT

- Psychologist Abraham Maslow identified seven categories of basic needs common to all people. Maslow represented these needs as a hierarchy in the shape of a pyramid.
- A hierarchy is an arrangement that ranks people or concepts from lowest to highest.

MOTIVATIONAL MANAGEMENT

- According to Maslow, individuals must meet the needs at the lower levels of the pyramid before they can successfully be motivated to tackle the next levels.
- The lowest four levels represent deficiency needs, and the upper three levels represent growth needs.

MOTIVATIONAL MANAGEMENT

- Maslow (1943) initially stated that individuals must satisfy lower level deficit needs before progressing on to meet higher level growth needs. However, he later clarified that satisfaction of a needs is not an “all-or-none” phenomenon, admitting that his earlier statements may have given “the false impression that a need must be satisfied 100 percent before the next need emerges”.

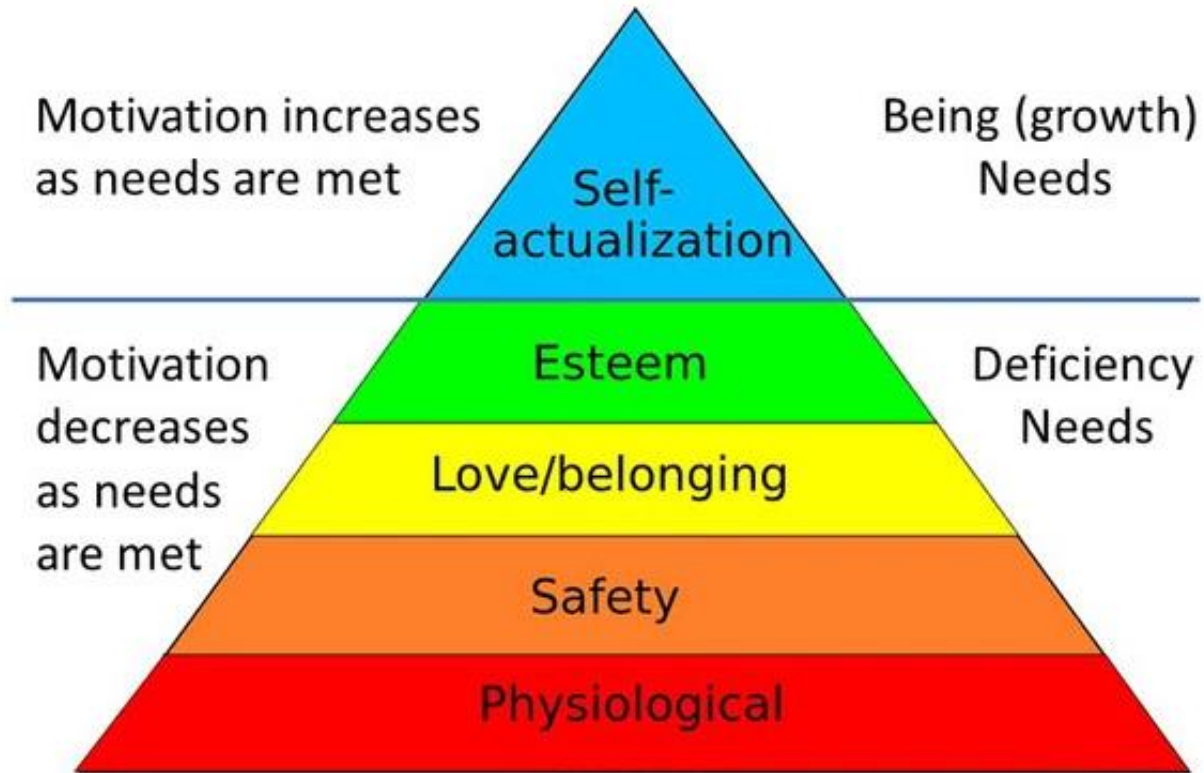
MOTIVATIONAL MANAGEMENT

- When a deficit need has been 'more or less' satisfied it will go away, and our activities become habitually directed towards meeting the next set of needs that we have yet to satisfy. These then become our salient needs. However, growth needs continue to be felt and may even become stronger once they have been engaged.

MOTIVATIONAL MANAGEMENT

- Deficiency needs arise due to deprivation and are said to motivate people when they are unmet. Also, the motivation to fulfill such needs will become stronger the longer the duration they are denied. For example, the longer a person goes without food, the more hungry they will become.

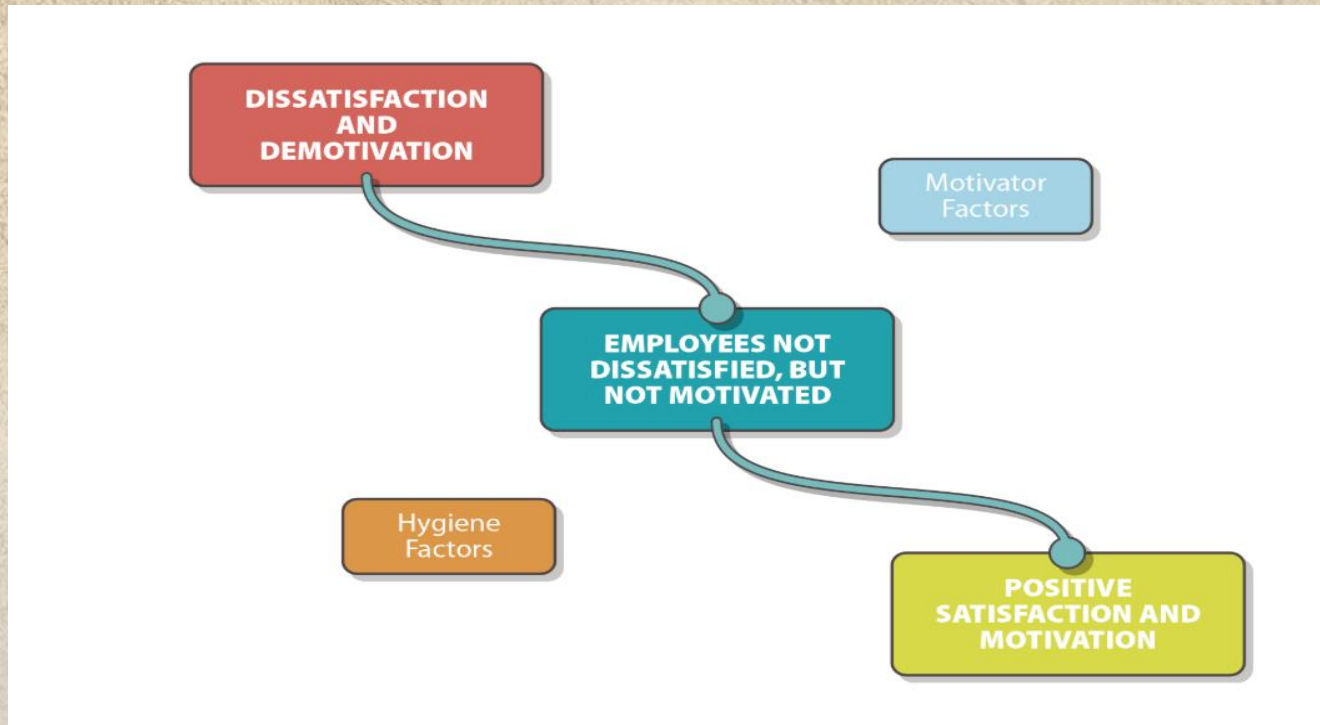
MOTIVATIONAL MANAGEMENT



MOTIVATIONAL MANAGEMENT

- Frederick Herzberg, a behavioural scientist proposed a two-factor theory or the motivator-hygiene theory. According to Herzberg, there are some job factors that result in satisfaction while there are other job factors that prevent dissatisfaction. According to Herzberg, the opposite of “Satisfaction” is “No satisfaction” and the opposite of “Dissatisfaction” is “No Dissatisfaction”.

MOTIVATIONAL MANAGEMENT



MOTIVATIONAL MANAGEMENT

Hygiene factors must be addressed to avoid dissatisfaction and include:

- Policies and procedures for staff treatment
- Suitable level and quality of supervision
- Pleasant physical and working conditions
- Appropriate level of salary and status for the job
- Team working

Hygiene factors are concerned with extrinsic factors these are separate from or external to the job itself and are dependent on the decisions of others.

However, in themselves hygiene factors are not sufficient to result in positive motivation.

MOTIVATIONAL MANAGEMENT

Motivators include

- Sense of achievement
- Recognition of good work
- Increasing levels of responsibility
- Career advancement
- Attraction of the job itself

The main motivation factors are thus not in the environment but in the intrinsic value and satisfaction gained from the job itself.

Most are non financial in nature.

MOTIVATIONAL MANAGEMENT

Fredrick Herzberg defines three ways that management can attempt to improve staff satisfaction and motivation.

Job enrichment (sometimes called 'vertical job enlargement') a deliberate, planned process to improve the responsibility, challenge and creativity of a job.

Typical examples include delegation or problem solving.

MOTIVATIONAL MANAGEMENT

For instance, where an accountant's responsibilities for producing quarterly management reports end at the stage of producing the figures, they could be extended so that they included the preparation of them and the accountant could submit them to senior management.

MOTIVATIONAL MANAGEMENT

This alteration in responsibilities could not only enrich the job but also increase the workload, leading to delegation of certain responsibilities to clerks within the department, the cascading effect enriching other jobs as well.

MOTIVATIONAL MANAGEMENT

Job enlargement widening the range of jobs, and so developing a job away from narrow specialisation.

There is no element of enrichment.

Argyris calls this 'horizontal job enlargement'.

Herzberg contends that there is little motivation value in this approach.

MOTIVATIONAL MANAGEMENT

- **Job rotation** the planned rotating of staff between jobs to alleviate monotony and provide a fresh job challenge. The documented example quotes a warehouse gang of four workers, where the worst job was tying the necks of the sacks at the base of the hopper after filling; the best job was seen as being the forklift truck driver.

MOTIVATIONAL MANAGEMENT

- **Job rotation** would ensure that equal time was spent by each individual on all jobs.
- Herzberg suggests that this will help to relieve monotony and improve job satisfaction but is unlikely to create positive motivation.

THE APPLICATION OF CHAOS THEORY

- Chaos theory is a scientific principle describing the unpredictability of systems. Most fully explored and recognized during the mid-to-late 1980s, its premise is that systems sometimes reside in chaos, generating energy but without any predictability or direction.
- These complex systems may be weather patterns, ecosystems, water flows, anatomical functions, or organizations.

THE APPLICATION OF CHAOS THEORY

- While these system's chaotic behaviour may appear random at first, chaotic systems can be defined by a mathematical formula, and they are not without order or finite boundaries.
- This theory, in relation to organizational behaviour, was somewhat discounted during the 1990s, giving way to the very similar complexity theory.

THE APPLICATION OF CHAOS THEORY

- Applying chaos theory to organizational behavior allows theorists to take a step back from the management of day-to-day activities and see how organizations function as unified systems. An organization is a classic example of a nonlinear system (i.e., a system in which minor events have the potential to set off grave consequences or chain reactions, and major changes may have little or no effect on the system whatsoever).

THE APPLICATION OF CHAOS THEORY

- In order to exploit the chaotic quality of an organization, one needs to try to see the organizational shape that emerges from a distance. Instead of pinpointing causes in the organization for organizational problems, the company is better served, according to chaos theory, by looking for organizational patterns that lead to certain types of behaviour within the organization.

THE APPLICATION OF CHAOS THEORY

- Applying chaos theory to organizational practice tends to go against the grain of most formal management patterns. Order can be confused with the more popular notion of control. Defined by organization charts and job descriptions, traditional management does not generally seek to add disorder to its strategic plan.

THE APPLICATION OF CHAOS THEORY

- Organizations are focused on structure and design. Charts are drawn to illustrate who is accountable to whom or who plays what role and when. Business experts break down organizations into the smallest of parts. They build models of organizational practice and policy with hope that this atomizing yields better information on how to improve the organization's functioning. However, chaos theory implies that this is unnecessary, even harmful.

THE APPLICATION OF CHAOS THEORY

- Conflict theory focuses on competition between groups within society over limited resources.
- Conflict theory views social and economic institutions as tools of struggle between groups or classes, used to maintain inequality and the dominance of the ruling class.

THE APPLICATION OF CHAOS THEORY

- Marxist conflict theory sees society as divided along lines of economic class between the proletarian working class and the bourgeois ruling class.
- Later versions of conflict theory look at other dimensions of conflict among capitalist factions and between various social, religious, and other types of groups.

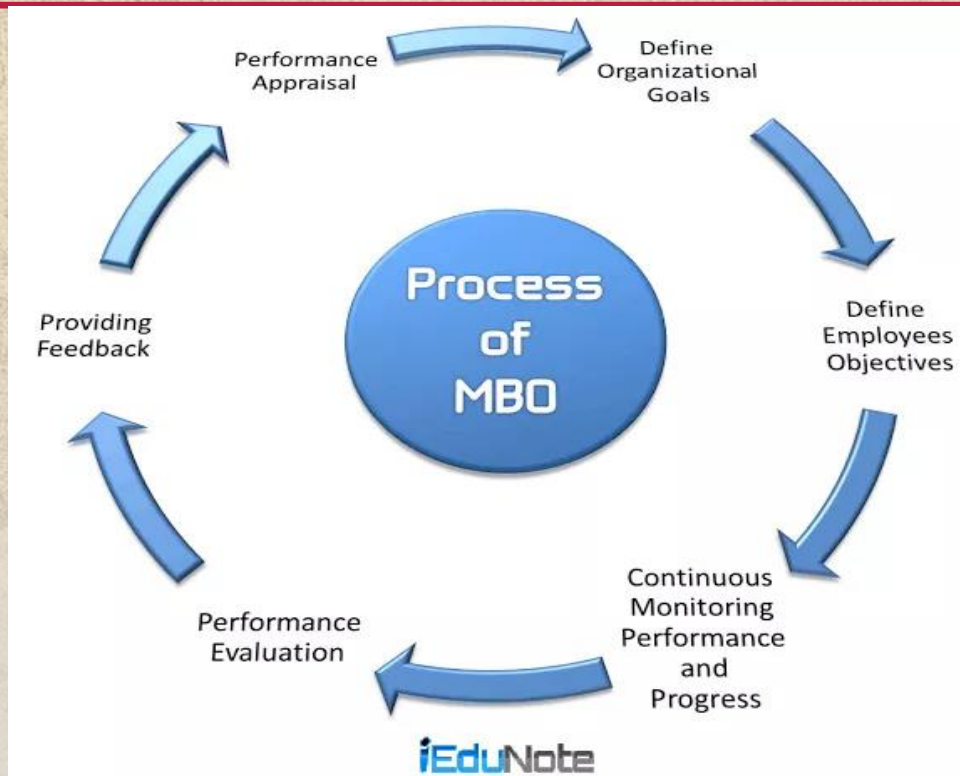
MANAGEMENT BY OBJECTIVES

- Management by objectives (MBO) is a strategic management model that aims to improve the performance of an organization by clearly defining objectives that are agreed to by both management and employees. According to the theory, having a say in goal setting and action plans encourages participation and commitment among employees, as well as aligning objectives across the organization.

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MANAGEMENT BY OBJECTIVES



- <https://iedunote.com/management-by-objectives-mbo-process>

MANAGEMENT BY OBJECTIVES

- Let's briefly look at each of these;
- **Define Organizational Goals**
- Goals are critical issues to organizational effectiveness, and they serve a number of purposes. Organizations can also have several different kinds of goals, all of which must be appropriately managed.
- And a number of different kinds of managers must be involved in setting goals. The goals set by the superiors are preliminary, based on an analysis and judgment as to what can and what should be accomplished by the organization within a certain period.

MANAGEMENT BY OBJECTIVES

- **Define Employees Objectives**
- After making sure that employees' managers have informed of pertinent general objectives, strategies and planning premises, the manager can then proceed to work with employees in setting their objectives.
- The manager asks what goals the employees believe they can accomplish in what time period, and with what resources. They will then discuss some preliminary thoughts about what goals seem feasible for the company or department.

MANAGEMENT BY OBJECTIVES

- **Continuous Monitoring Performance and Progress**
- MBO process is not only essential for making line managers in business organizations more effective but also equally important for monitoring the performance and progress of employees.
- For monitoring performance and progress the followings are required;
- Identifying ineffective programs by comparing performance with pre-established objectives,
- Applying MBO concepts for measuring individual and plans,
- Preparing long and short-range objectives and plans,
- Installing effective controls, and

MANAGEMENT BY OBJECTIVES

- **Performance Appraisal**
- Performance appraisals are a regular review of employee performance within organizations. It is done at the last stage of the MBO process.

MANAGEMENT BY OBJECTIVES

- **Performance Evaluation**
- Under this MBO process performance review are made by the participation of the concerned managers.
- **Providing Feedback**
- The filial ingredients in an MBO program are continuous feedback on performance and goals that allow individuals to monitor and correct their own actions.
- This continuous feedback is supplemented by periodic formal appraisal meetings which superiors and subordinates can review progress toward goals, which lead to further feedback.

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